

SAN ANTONIO WATER COMPANY

BOARD OF DIRECTORS ORGANIZATIONAL MEETING MINUTES

Tuesday, April 9, 2024

Immediately following the Annual Meeting of Shareholders of the Company, the Board of Directors of the San Antonio Water Company (SAWCo) met at the Upland City Hall Council Chambers, 460 North Euclid Avenue, Upland, California at 6:08 p.m. Directors present were Rudy Zuniga, Will Elliott, Bob Cable, Becky Miller, Bill Velto, Kati Parker and Bob Bowcock. Also in attendance were San Antonio Water Company legal counsel Derek Hoffman, General Manager Brian Lee, Senior Administrative Specialist Kelly Mitchell, and Administrative Specialist Tiffany Dickinson. President Rudy Zuniga presided.

- Call to Order
- 1. Recognitions and Presentations: None.
- 2. Additions-Deletions to the Agenda: None.
- 3. Public Comments: None.
- 4. Organizational Activities:

Director Elliott moved and Director Parker seconded to assign the General Manager, Brian Lee, as temporary chairperson for election of officers. Motion carried unanimously.

Director Elliott moved and Director Cable seconded to elect the slate of officers as currently presented. Motion carried unanimously.

Director Parker moved and Director Velto seconded to approve the Designations and Authorities as presented. Motion carried unanimously.

The following are the results of the above motions:

- A. President – Rudy Zuniga
- B. Vice-President – Will Elliott
- C. Secretary- Bob Cable
- D. Chief Financial Officer – Bill Velto
- 5. Designations and Authorities:
 - A. Representative to the Six Basins Watermaster – Teri Layton (primary) and Tommy Hudspeth (alternate) as representatives to the Six Basins Watermaster.
 - B. Representative to Chino Basin Pool and Advisory Committees – Brian Lee (primary) and Teri Layton (alternate) as representatives to the Chino Basin Pool and Advisory Committees.
 - C. Representative to Cucamonga Basin Management Committee – Teri Layton (primary) and Brian Lee (alternate) as representatives to Cucamonga Basin Management Committee.
 - D. Representative to Pomona Valley Protective Association (PVPA) –Staff recommends Director Kati Parker as the primary representative to the PVPA.
 - E. Assistant Secretary/Assistant Financial Officer –General Manager, Brian Lee as Assistant Secretary/Assistant Financial Officer.
 - F. Representatives for the Administration and Finance Committee (AFC) – Director Miller, Director Cable, and Director Velto. Director Velto as chair of the committee.
 - G. Representatives for the Planning, Resources, and Operations Committee (PROC) – Director Elliott, Director Bowcock, and Director Parker. Director Elliott as chair of the committee.
 - H. Company General Counsel – Fennemore
 - I. Company Special Counsel – Fred Fudacz of the firm Nossaman LLP.
 - J. Company Auditor – Bowen, McBeth, Incorporated.
 - K. Company Depositories - That Citizens Business Bank, Local Agency Investment Funds (LAIF) and any other qualifying financial institution (FDIC insured) that conforms with the Company's Investment Policy is designated for and as a valid depository for Company funds;
 - L. Signatories for Company Checks, Withdrawals and Establishing Accounts – Any two (2) signatures, including that of the President, Vice President, Secretary/Chief Financial Officer, the General Manager or the Assistant General Manager are hereby authorized and required to sign checks, withdraw funds, and establish accounts on behalf of the Company with at least one Corporate Officer signing on any transaction greater than \$5,000, except for fund transfers between Company accounts or on routine payments for operations expense (e.g. electrical energy usage, taxes, et al.) and as otherwise granted under

authority to the General Manager. In addition, the Accounting and Personnel Specialist has authority to transfer up to \$45,000 to facilitate payroll with provisions of internal accounting controls in place.

M. General Manager's Authority –

A. General Manager's expenditure authority limitation is \$50,000.

[Note: Prior to October 20, 1997, the general manager's expenditure authority was limited to \$5,000. Due to the timely nature of certain repair needs, as well as the usual range of such costs, the Board acted to increase the expenditure authority limitation to \$50,000. This was done with the understanding that such necessary expenditures would be reported to the Board in a timely manner].

B. General Manager's authorized to execute professional service agreements.

[Note: On November 19th and December 17th of 2001, the general manager was authorized to approve and execute professional service agreements once they had been reviewed and approved by corporate counsel and after the Board's review and approval of funding. No such action may be taken on any agreement or amendment to an agreement that would cause the expenditure to exceed any prior Board approved funding authorization.]

6. Review of Director's Fiduciary Duties and Liabilities: Mr. Lee took the opportunity to remind the Board of directors, that each director represents all the shareholders in their entirety regardless of who has appointed you to the board or which shares you represent. Mr. Lee complimented the Board on the job they have done in maintaining that discretion.
7. Conflict of Interest Rules and AB54 Compliance for Directors: Mr. Hoffman stated AB54 is a requirement of all directors on the Board. He is pleased to report that the Board is in compliance and staff continue to make sure that the Company stays in compliance.

Director Zuniga announced the next Board meeting will be held on Tuesday, April 16, 2024 at 5:00 p.m.

Adjournment: There being no further business the meeting was adjourned at 6:14 p.m.



Assistant Secretary